



## Senate

General Assembly

**File No. 386**

February Session, 2000

Substitute Senate Bill No. 493

*Senate, April 3, 2000*

The Committee on Government Administration and Elections reported through SEN. BOZEK of the 6<sup>th</sup> Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

### ***An Act Concerning Benefit Protection For Nonunionized Workers On Prevailing Wage Projects.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 (NEW) Any contractor or subcontractor subject to the prevailing
- 2 wage laws set forth in part III of chapter 557 of the general statutes
- 3 who charges a fee for administering benefits under an employee
- 4 welfare plan for any mechanic, laborer or worker who is (1) employed
- 5 on a public works project that meets the requirements of subsection (g)
- 6 of section 31-53 of the general statutes, and (2) not a member of a labor
- 7 organization, shall (A) disclose to such mechanic, laborer or worker the
- 8 amount of such fee prior to the imposition of such fee, and (B) allow
- 9 such mechanic, laborer or worker to opt out of such employee welfare
- 10 plan and instead receive the amount of payment or contributions paid
- 11 or payable on behalf of such worker to such employee welfare plan.
- 12 For purposes of this section, "benefits under an employee welfare plan"
- 13 means one or more benefits or services under any plan established or

14 maintained for employees or their families or dependents, or for both,  
15 including, but not limited to, medical, surgical or hospital care  
16 benefits; benefits in the event of sickness, accident, disability or death;  
17 benefits in the event of unemployment and retirement benefits.

**LAB Committee Vote:** Yea 11 Nay 1 JFS C/R GAE

**GAE Committee Vote:** Yea 21 Nay 0 JF

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

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**OFA Fiscal Note**

**State Impact:** None

**Affected Agencies:** Department of Labor

**Municipal Impact:** None

**Explanation****State Impact:**

There is a minimal workload increase for the Department of Labor with the passage of this bill. The bill requires contractors that charge fees to employees for administering employee welfare plans to disclose the amount of the fee to the worker. The worker will then have the option of opting out of the employee welfare plan. The Department of Labor may receive some questions from contractors and employees concerning the required disclosure and employee options. These questions can be answered within the anticipated budgetary resources of the Department of Labor.

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**OLR Bill Analysis**

sSB 493

**AN ACT CONCERNING BENEFIT PROTECTION FOR  
NONUNIONIZED WORKERS ON PREVAILING WAGE PROJECTS.****SUMMARY:**

This bill requires contractors and subcontractors subject to the state prevailing wage law to (1) disclose to their non-union employees the amount of any fee they charge to administer employee welfare plans (such as health, disability, or pension plans) before imposing it and (2) allow the employee to opt out of the plan and receive the cash equivalent of the employer's contribution for these plans instead.

State prevailing wage laws apply to a public works project that costs at least (1) \$400,000 if it involves new construction and (2) \$100,00 if it involves alterations or repairs to existing structures.

EFFECTIVE DATE: October 1, 2000

**COMMITTEE ACTION**

Labor and Public Employees Committee

Joint Favorable Substitute Change of Reference

Yea 11      Nay 1

Government Administration and Elections Committee

Joint Favorable Report

Yea 21      Nay 0